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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/780,415	02/12/2001	Niels Dahl-Sorensen	108591	8509

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EXAMINER

COLON, CATHERINE M

ART UNIT	PAPER NUMBER
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3623

DATE MAILED: 11/24/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/780,415

Applicant(s)

DAHL-SORENSEN ET AL.

Examiner

C. Michelle Colon

Art Unit

3623



-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 12 February 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-23 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-23 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date <u>April 17, 2001</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. The following is a Non-Final Office Action in response to the communication received on February 12, 2001. Claims 1-23 are now pending in this application.

Information Disclosure Statement

2. The examiner has reviewed the foreign patents supplied in the Information Disclosure Statement (IDS) provided on April 17, 2001.

Claim Objections

3. Claim 23 is objected to under 37 CFR 1.75(c) as being in improper form because a multiple dependent claim cannot depend from any other multiple dependent claim. Since claim 21 is in multiple dependent form, claim 23 cannot depend from claim 21. See MPEP § 608.01(n).

Claim Rejections - 35 USC § 101

4. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

5. Claims 1-11 and 14-20 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

As per the first prong of the test, for a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences) and therefore are found to be non-statutory subject matter. For a process claim to be satisfactory, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, the methods of claims 1-11 and 14-20 merely recite steps for estimating a value of a corporation or business entity; however, the recited steps do not apply, involve, use, or advance the technological arts since all of the recited steps can be performed in person or by use of a pencil and paper and without the need of a computer or other technology. These steps only constitute an idea of how to estimate the value of a corporation or business entity.

As per the second prong of the test, for a claimed invention to be statutory, the claimed invention must produce a useful, concrete, and tangible result. In the present case, the claimed invention produces a value (i.e., concrete) for a corporation or business entity (i.e., useful and tangible).

Although the recited methods produce a useful, concrete, and tangible result, since the claimed invention, as a whole, is not within the technological arts as explained above, claims 1-11 and 14-20 are directed to non-statutory subject matter.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

7. Claims 1-6, 8-19 and 21-23 are rejected under 35 U.S.C. 102(b) as being anticipated by Sandretto (U.S. 5,812,988).

As per claim 1, Sandretto discloses a method for estimating a value of a corporation or a business entity, based on a cash flow model, under which an NPV of future earnings generated by the corporation or the business activity over a term of years is estimated on the basis of a given budget for the corporation or the business activity, a given discount rate and a given budget period, which budget period is estimated by means of a model based on selected factors relating to the corporation (col. 8, lines 61-67; col. 9, lines 60-65; col. 10, lines 1-18 and 44-50; col. 14, lines 31-45; col. 17, lines 2-17; The system estimates values for various assets taking into account cash flows, NPVs and discount rates for a given period of time.).

As per claim 2, Sandretto discloses a method according to claim 1, wherein a number of points are allocated to the various factors on the basis of a number of data and wherein the points allocated to the individual factors are included in a mutual weighted ratio in the model applied to estimate the budget period (col. 20, lines 52-60; A value-weighted index is used in calculating ratios estimating returns.).

As per claim 3, Sandretto discloses a method according to claim 2, wherein the factors mentioned comprise the corporation's products, market position, productive equipment and human resources (col. 20, lines 26-27; col. 34, lines 6-43; col. 36, lines 32-37; col. 38, lines 50-51; Figure 9; The system uses several factors including a companies market position and assets.).

As per claim 4, Sandretto discloses a method according to claim 3, wherein allowance is made for the following for purposes of allocating points to the product factor: classification of the products by stages in their life cycle, classification of the products by their life in general, classification of the products by business activity/segment (col. 34, lines 6-43; col. 35, lines 13-16 and 20-23; Figure 9; The system can classify companies in terms of segments.).

As per claim 5, Sandretto discloses a method according to claim 3, wherein allowance is made to the following for purposes of allocating points to the market position factor: customers, suppliers, internationalization, market conditions, profitability (col. 34, lines 6-43; col. 37, lines 32-59; Figures 11 and 12; The system uses information such as revenue, sales and assets versus liabilities in its calculations.).

As per claim 6, Sandretto discloses a method according to claim 3, wherein allowance is made to the following for purposes of allocating points to the productive equipment factor: machinery and operating equipment, buildings, properties and leases, IT, environmental/ethical standards (col. 37, lines 8-12; col. 38, lines 36-51; The system applies to various company assets including real estate and equipment.).

As per claim 11, Sandretto discloses a method according to claim 1, wherein the final valuation of the corporation or business activity includes an evaluation of a synergy value representing a financial value of synergies resulting from a joint operation of two corporations, said synergy value being included in a given number of years, subject to a given allocation/split between the two corporations (col. 9, lines 60-65; col. 39, lines 9-31; The system takes into account situations such as bankruptcies and acquisitions when estimation the valuation of a company.).

As per claim 12, Sandretto discloses a method according to claim 1, performed by means of a computer program installed on a computer, as the desired data are keyed into the computer, following which the computer program performs calculations for purposes of the valuation of a corporation or a business activity (col. 16, lines 1-17; Figure 1A).

As per claim 13, Sandretto discloses a method according to claim 12, wherein the computer program applied is a standard spreadsheet program (col. 16, lines 46-48; Figures 6-8).

Claims 8-10, 14-19 and 21-23 are substantially similar to claims 1-6 and 11-13 above. Therefore claims 8-10, 14-19 and 21-23 are rejected on the same basis as claims 1-6 and 11-13 above.

Claim Rejections - 35 USC § 103

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. Claims 7 and 20 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sandretto (U.S. 5,812,988).

As per claim 7, Sandretto does not expressly disclose a method according to claim 3, wherein allowance is made for the following for purposes of allocating points to the human resource factor: average age of the staff, average seniority, the corporation's possibilities of recruiting qualified staff, current staff mix relative to the optimum staff mix, further training/education opportunities, staff competence level, the level of good management in the corporation. However, Sandretto does disclose utilizing a companies' assets in determining its value such as product, real estate and equipment (col. 20, lines 26-27; col. 34, lines 6-43; col. 38, lines 50-51). It is old and well known that employees/staff are considered part of the assets of a company. Thus, at the time of the invention, it would have been obvious to a person of ordinary skill in the art for the system of Sandretto to include employees/staff as part of the assets used to estimate the value of a company because doing so would provide an additional factor to include in the calculations, thus enhancing the accuracy of the estimation of the value of the company.

Claim 20 is substantially similar to claim 7; therefore, claim 20 is rejected on the same basis as claim 7.

Conclusion

10. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- Eder (U.S. 6,393,406) discusses a method and system for valuing elements of a business enterprise;
- Eder (U.S. 6,321,205) discusses a method and system for modeling business improvement programs.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to C. Michelle Colon whose telephone number is 703-605-4251. The examiner can normally be reached Monday – Friday from 8:30am to 5:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tariq Hafiz, can be reached at 703-305-9643.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

Any response to this action should be mailed to:

Commissioner of Patents and Trademarks

Art Unit: 3623

Washington D.C. 20231

or faxed to:

703-872-9306 [Official Communications; including After Final
communications labeled "Box AF"]

703-746-7202 [For status inquiries, draft communication, labeled
"Proposed" or "Draft"]

Hand delivered responses should be brought to Crystal Park 5, 2451 Crystal
Drive, Arlington, VA 7th floor receptionist.


cmc

November 22, 2004



**SUSANNA M. DIAZ
PRIMARY EXAMINER**

AU 3623